

LGL Companies Inc.
P.O. BOX 919 SALEM, UTAH 84653

WRIGHT MASONRY & SONS
P.O. BOX 1246 SALEM, UTAH 84653
PHONE# (801) 423-2363 FAX# (801) 423-2866

S/009/0006
cc: Leslie
Task: 4157

5/19/11

State of Utah Department of Natural Resources
Division of Oil Gas and Mining
1594 West North Temple Suite 1210
Salt Lake City, UT 84114-5801

ATTN: Leslie Heppler

RE: Revised NOI for Manila Stone Quarry, S/009/006, Dagget County, UT

Hello Leslie,

While working on the permits for our stone quarry in Manila, it became apparent to us that our sister company, Wright Masonry & Sons Inc., is able to meet the bonding and insurance requirements for our DOGM and UDOT permits faster, cheaper, and easier than LGL Companies. So in the interest of saving time and money will you please change the name on our DOGM permit application from LGL Companies to Wright Masonry and Sons? I have included a revised MR-SMO with Wright Masonry and Sons listed as the permittee. I have also included a copy of the cultural resources survey, and a copy of the Designation of Operator letter that we sent to SITLA. Within the next few weeks I plan to send you a copy of our UDOT encroachment permit, our surety bond, and our MR-RC.

Please contact me with anything else that you may need to make the change. Thanks for all of your help with this.

Best Regards,

Gavin Wright



Wright Masonry & Sons Inc. and
LGL Companies Inc.

Email: gavinite@msn.com

Cell: 801-380-2830

RECEIVED

MAY 23 2011

DIV. OF OIL, GAS & MINING

LGL Companies Inc.

P.O. BOX 919 SALEM, UTAH 84653

4/28/2011

State of Utah School and
Institutional Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818

ATTN: John Blake

RE: Designation of Operator for SITLA Lease # 51832

Hello John,

Last year LGL Companies Inc. obtained a mineral lease from SITLA for some building limestone located on the W ½ of the NE ¼ of section 6, Township 2N, Range 20E, of the Salt Lake Meridian. A cultural resources survey was recently completed there, and we are currently in the process of obtaining permits from UDOT and DOGM to begin mining on the state road right of way that runs through our lease. While working on these permits, it became apparent that our sister company, Wright Masonry and Sons, is able to meet the bonding and insurance requirements faster, easier, and cheaper than LGL Companies. So in the interest of saving time and money, LGL Companies Inc. has chosen to designate Wright Masonry and Sons Inc as the operator of the mine. Please accept this letter as our "Designation of Operator" for ML # 51832.

For your records, the mailing address of Wright Masonry and Sons Inc is: PO Box 1246 Salem, UT 84653, and the physical address is: 10979 South Loafer Canyon Road, Elk Ridge, UT 84651. The office phone number is: 801-423-2363, and the fax number is: 801-423-2866.

Feel free to contact me with any questions that you may have.

Best Regards,

Gavin Wright

LGL Companies Inc.
Email: gavinite@msn.com
Cell: 801-380-2830

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MAY 23 2011

DIV. OF OIL, GAS & MINING

Assigned DOGM File No.: S 100910006
DOGM Lead: Leslie
Permit Fee \$ _____ Ck # _____
Task: 4157

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

I. **GENERAL INFORMATION** (Rule R647-3-104)

- Name of Mine: MANILA STONE QUARRY
- Legal name of entity (or individual) for whom the permit is being requested: _____
WRIGHT MASONRY AND SONS INC.
Mailing Address: P.O. Box 1246
City, State, Zip: SALEM, UT 84653
Phone: 801-423-2363 Fax: 801-423-2866
E-mail Address: GAVINITE@MSN.COM

Type of Business: Corporation ☒ LLC () Sole Proprietorship (dba) ()
Partnership () General _____ or _____ limited
Or:
Individual ()

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No
Entity # 1298227-0142

If no, contact www.commerce.utah.gov to renew or apply.

Local Business License # _____ (if required)
Issued by: County _____ or City _____

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MAY 23 2011

DIV. OF OIL, GAS & MINING

3. **Contact Person(s)**
Name: GAVIN WRIGHT Title: _____
Address: 10939 S. LOAFER CANYON RD.
City, State, Zip: SALEM, VT 84653
Phone: 801 380 2830 Fax: 801 423 1205
Emergency, Weekend, or Holiday Phone: 801 423 1565
E-mail Address: GAVINITE@MSN.COM

Contact person to be notified for: permitting ☒ surety ☒ Notices ☒ (please check all that apply)

Name: BRAD MURRAY Title: _____
Address: 736 S. 500 W.
City, State, Zip: VERNAL, VT 84078
Phone: 435-790-7636 Fax: 435-789-7729
Emergency, Weekend, or Holiday Phone: 435-789-1691
E-mail Address: CYNTHIAMURRAY60@YAHOO.COM

Contact person to be notified for: permitting () surety () Notices ☒ (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

4. **If Business is a Sole Proprietor:**
Name of Owner: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Corporation:
Name of Officers: GAVIN WRIGHT Title: OFFICER
LARRY WRIGHT Title: PRESIDENT
L.P. WRIGHT Title: VICE-PRESIDENT
Title: _____
Headquarters Address: 10979 S. LOAFER CANYON RD.
City, State, Zip: SALEM, VT 84653
Headquarters Phone: 801 423-2363 Fax: 801 423-2866
E-mail Address: WRIGHT MASONRY AND SONS @ MSN.COM

If Business is a Limited Liability Company: Member Managed G Manager Managed G
Name of 1st Member/Manager: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Partnership:

Name of Partner: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. Ownership of Land Surface:

Private (Fee) G Public Domain (BLM) G National Forest (USFS) G

State Trust Land/School Sections ☒ State Sovereign Lands G

Other (please describe): _____

Name SITLA Address 675 E. 500 S. SUITE 500 SLC, UT 84102

Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

6. Ownership of Minerals:

Private (Fee) G Public Domain (BLM) G National Forest (USFS) G

State Trust Land/School Sections ☒ State Sovereign Lands G

Other (please describe): _____

Name SITLA Address 675 E. 500 S. SUITE 500, SLC, UT 84102

Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

BLM Claim Numbers _____

Utah State Lease Number(s): SITLA LEASE # 57832

Name of Lessee(s) BRAD MURRAY & LBL COMPANIES INC.

7. Have the above surface and mineral owners been notified in writing?

Yes ☒ No _____

If no, why not? _____

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes ☒ No _____

II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): DASSETT

____ 1/4, of NW 1/4, of NE 1/4: Section: 6 Township: 2N Range: 20E
____ 1/4, of SW 1/4, of NE 1/4: Section: 6 Township: 2N Range: 20E
____ 1/4, of ____ 1/4, of ____ 1/4: Section: ____ Township: ____ Range: ____

UTM East _____ (if known) UTM North _____ (if known)

Name of Quad Map for Location: DUTCH JOHN

2. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:

i. The area to be disturbed;

ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and

iii. Any adjacent previous disturbance for which the operator is not responsible.

(Contact the Division for a list of consultants and land surveyors for mapping assistance.)

3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. **Type of mining:** Surface ☒ Underground ☐

2. **Mineral(s) to be mined:** DECORATIVE BUILDING LIMESTONE

3. **Amount of material to be extracted, moved, or proposed to be moved:** ABOUT 18,000 YARDS

4. **Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?**

Yes ☐ No ☒ If yes, please describe (add extra pages if needed) _____

5. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). PLEASE SEE ATTACHED

DESCRIPTION OF OPERATION PLAN.

6. ☒ **New Road(s):** Length 400 (ft) Width 14 (ft)

7. ☐ **Improved Road(s):** Provide a description of the improvements that need to be made to existing roads to access the site, including the Length _____ (ft) and Width _____ (ft) of new disturbances.

NONE

8. Total project surface acreage to be disturbed: 3.0 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).

9. Proposed startup date (month, year) FEB, 2011

10. Proposed completion date, if known (month, year) ?

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.

11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes ☒ No ☐

1st Variance Requested

Item # 11 Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed)) R647-3-109
 Justification: EXISTING ROAD CUT IN ROCK IS ABOUT 90° (SEE PHOTOS A & B)
 Alternate methods or measure to be utilized: NEW ROAD CUT / HIGHWALL WILL BE 80° OR LESS

2nd Variance Requested

Item # 12-14 Applicable Rule # R647-3-109
 Justification: UDOT MAY NOT WANT RIGHT OF WAY PLANTED
 Alternate methods or measure to be utilized: IF THE DOT DOES NOT WANT THE RIGHT OF WAY PLANTED WE WILL LEAVE IT GRAVEL.

3rd Variance Requested

Item # _____ Applicable Rule # _____
 Justification: _____
 Alternate methods or measure to be utilized: _____

Attach additional page if more variances are requested.

VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing. The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

VII. PERMIT FEE (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.

VIII. SIGNATURE REQUIREMENT

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

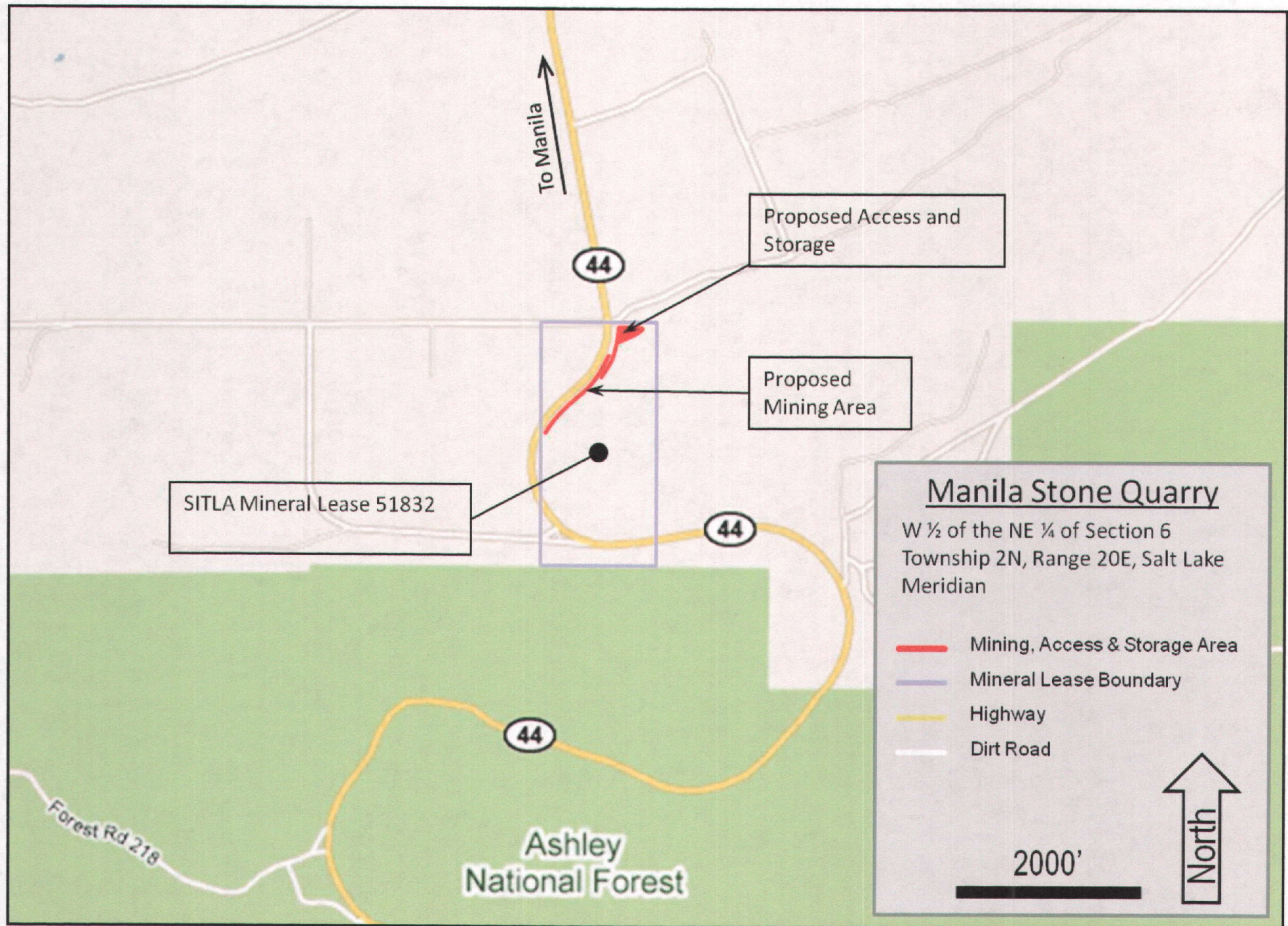
Signature:  Date: 5-19-2011

Name (typed or printed): GAVIN WRIGHT

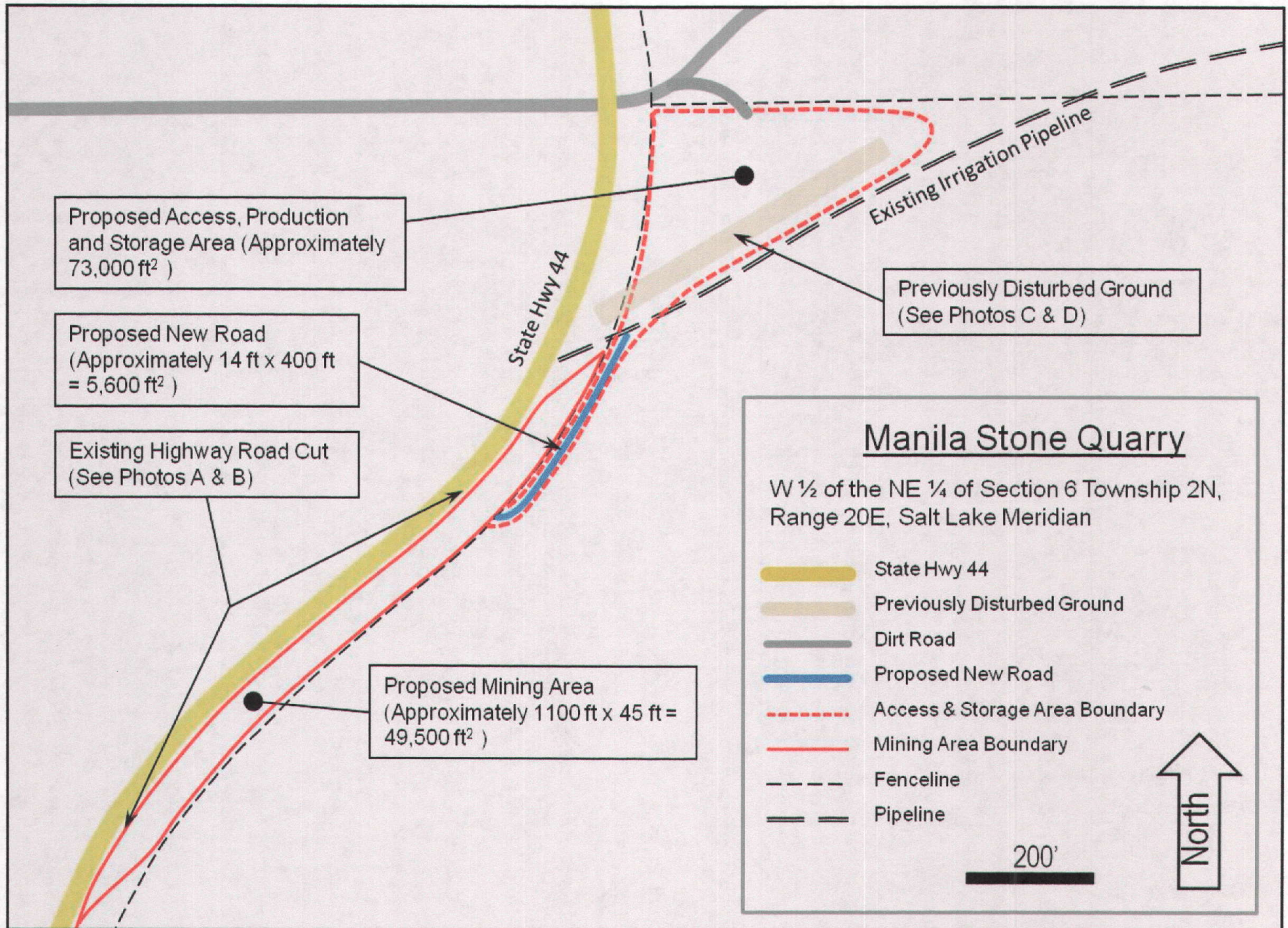
Title/Position (if applicable): OFFICER, WRIGHT MASONRY & SONS INC.

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Location Map



Operation Plan



Description of Operation

Most of our initial work is expected to take place on the state road right of way, on which we plan to remove material from the existing road cut, working our way east, and extending the road cut back toward the fence. We have been in contact with some people from UDOT, and they seem to like that idea because there is a lot of falling rock on that road cut that they often have to clean up. Just east of the state road right of way, and adjacent to an irrigation water line there is a strip of previously disturbed ground that we plan to level off and incorporate into our access, processing, and storage area. This area will be used to process, store, and ship our materials, as well as provide access to our planned mining area. Here we will set up a rock guillotine, a pallet scale, and a portable office. After the rock has been mined by the use of a track hoe, it will be transported by means of a loader to the processing area. Here the rock will be chopped to the desired size, stacked on pallets, weighed, recorded and stored until shipment.

Photos

Photo A: Existing road cut, looking north along Highway 44.



Photo B: Existing road cut, looking east across Highway 44.

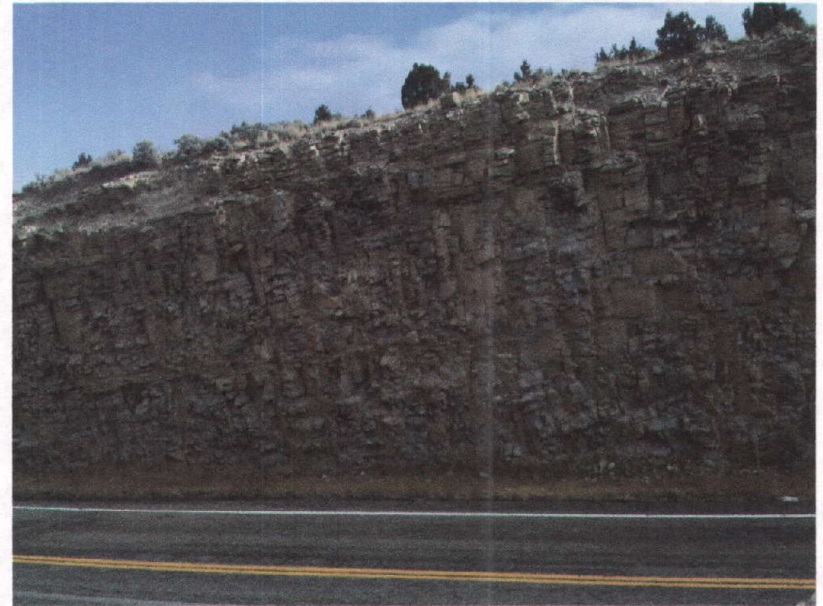


Photo C: View of previously disturbed land, looking northeast from fence line.



Photo D: Previously disturbed land, looking southwest toward Highway 44.



Satellite Image SITLA Lease # 51832

